

**PROOF OF CLAIM**  
**Southern Health Systems, Inc.**  
**in Liquidation**  
**Circuit Court for Jefferson County, Alabama**

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State ZIP \_\_\_\_\_

This Proof of Claim must be completed, signed under oath, and sent by first class mail to **Denise B. Azar, Receiver, Southern Health Systems, P. O. Box 303353, Montgomery, AL 36130-3353, Attn: Proof of Claim.** This Proof of Claim should be sent as soon as possible, but **POSTMARKED NO LATER THAN FEBRUARY 28, 2002, OR THE CLAIM MAY BE DENIED.**

PLEASE READ THE ACCOMPANYING NOTICE AND INSTRUCTIONS BEFORE COMPLETING THIS FORM. Mark "NA" or "Not Applicable", where appropriate. PLEASE TYPE OR PRINT. A SEPARATE PROOF OF CLAIM SHOULD BE COMPLETED AND FILED FOR EACH CLAIM.

1. You are making this claim as (mark one) individual \_\_\_\_\_, corporation \_\_\_\_\_, partnership \_\_\_\_\_, agent \_\_\_\_\_, or other \_\_\_\_\_

2. Please set forth the name, address and phone number of the claimant:

Name \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Phone ( ) \_\_\_\_\_

3. This claim is filed as a(n) **unsecured/secured** claim. (Please circle one.)

\_\_\_\_\_ Date claim was incurred: \_\_\_\_\_  
Total Amount Claimed \_\_\_\_\_

4. **Explanation of Claim.** Please attach documentation to support claim amount. Attach additional sheets if necessary.

a. The consideration for this debt (or ground of liability) is as follows: \_\_\_\_\_

\_\_\_\_\_

b. If this claim is founded on a written instrument, please attach a copy of such written instrument or if it cannot be attached please set forth the reason therefor. \_\_\_\_\_

c. If you have received compensation for your claim, please state the amount of the payment received and the identity of the payor \_\_\_\_\_

\_\_\_\_\_

**(OVER – COMPLETE OTHER SIDE)**

- d. Please state whether this claim is subject to any set off, counterclaim or defense: \_\_\_\_\_
- e. Please set forth the identity of amount of security for the claim, if any (evidence of the security interest and its perfection should be attached): \_\_\_\_\_
- f. Please set forth any right of priority of payment, or other specific right, you believe you may have: \_\_\_\_\_
5. If you have been sued or have instituted suit in connection with the claim, indicate the court, term, case number, date filed, whether judgment has been entered, and the date of judgment, if any: \_\_\_\_\_
6. If an attorney represents you in this claim, please give the following information:
- Attorney's Name \_\_\_\_\_ Law Firm \_\_\_\_\_
- Address \_\_\_\_\_
- City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_

The undersigned subscribes and affirms under penalties of perjury that the facts stated in this Proof of Claim to be filed in the liquidation proceeding of Southern Health Systems, Inc., are true; that no payment of or on account of the aforesaid claim has been made except as above stated; that claimant has no knowledge of anyone else filing a claim on behalf of claimant; that there are no offsets, counterclaims or defenses thereto except as above stated; and that claimant is not a secured creditor or claimant has no security interest, except as above stated.

To the extent that this claim arises from a cause of action the undersigned has against an insured of Southern Health Systems, Inc., the undersigned acknowledges and agrees, by signing below, that the filing of this claim releases the insured's liability to the undersigned on that cause of action in the amount of the insured's applicable policy limit.

Claimant's Signature \_\_\_\_\_ Title, if applicable \_\_\_\_\_

Print Name \_\_\_\_\_

Telephone No. \_\_\_\_\_ Social Security or Tax ID # \_\_\_\_\_

Subscribed and sworn to before me, a Notary Public this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_

Signature of Notary Public \_\_\_\_\_

Printed Name of Notary Public \_\_\_\_\_

I am a resident of \_\_\_\_\_ County, \_\_\_\_\_ (State).

My commission expires \_\_\_\_\_.

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**DEADLINE FOR FILING CLAIMS IS**  
**FEBRUARY 28, 2002.**  
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**IMPORTANT NOTICE – PLEASE READ CAREFULLY**

STATE OF ALABAMA, et al.,	)	
	)	
Plaintiff,	)	Jefferson County Circuit Court
	)	CV-01-5259
	)	
v.	)	
	)	<u>NOTICE TO CREDITORS AND</u>
SOUTHERN HEALTH SYSTEMS, INC.,	)	<u>ALL INTERESTED PARTIES</u>
an Alabama health maintenance	)	
organization	)	
	)	
Defendant.	)	

On August 28, 2001, the Jefferson County Circuit Court located in Birmingham, Alabama granted the Receiver's petition to liquidate Southern Health Systems, Inc., an Alabama health maintenance organization ("Southern Health"). Denise B. Azar, Acting Chief Receiver of the Receivership Division, Alabama Department of Insurance, has been directed by the Court to take possession of Southern Health property and to liquidate its business.

**WHERE TO FILE CLAIM**

To avoid confusion, all creditor claims should come to:

Denise B. Azar, Receiver  
Southern Health Systems  
P. O. Box 303353  
Montgomery, AL 36130-3353  
Telephone (334) 240-7560

**DEADLINE AND INSTRUCTIONS FOR FILING CLAIMS**

Alabama Insurance Code Section 27-32-26 and the Court's Liquidation Order fixes the rights and liabilities of Southern Health and of its creditors, enrollees, stockholders and all other persons interested in its estate as of the date of the Liquidation Order, August 28, 2001. Various executory contracts, including all state agents, general agents, brokers, agents, goods and services and suppliers' contracts were canceled unless specifically adopted by the Receiver, with the remedy of filing a Proof of Claim reserved unto parties providing real damages as general creditors.

**ALL CLAIMS OR POTENTIAL CLAIMS MUST BE FILED WITH, WHERE REQUIRED, PROPER PROOF OF LOSS, BY 5:00 P.M., CENTRAL STANDARD TIME, ON FEBRUARY 28, 2002.**

**(SEE OTHER SIDE)**

ENROLLEES: If you have received bills or collection notices from providers (participating or non-participating), you must file the proof of claim form, along with all documents supporting the claim. If you have paid bills from providers and believe those bills were not your responsibility, you must file the Proof of Claim, with documents proving you paid the bill.

PROVIDERS: If you have submitted your claim with Southern Health, you do not need to file this PROOF OF CLAIM.


PARTICIPATING PROVIDERS: According to your contract with Southern Health, you are prohibited from billing the enrollee for the payment of the cost of health care services in any event, including but not limited to nonpayment of Southern Health, or Southern Health's insolvency. Ala. Code § 27-21A-3(b)(4). Billing the enrollee may result in violation of the Receivership Court's injunction, and subject you to court sanctions.

NON-PARTICIPATING PROVIDERS: A valid claim for your services will have the same priority as a claim of an enrollee, and allow payment to you by the Health Maintenance Organization Guaranty Association, **BUT YOU MUST AGREE NOT TO BILL THE ENROLLEE FOR THIS CLAIM.** Ala. Code § 27-21A-18(b).

All other creditors shall file Proofs of Claim, said creditors to include taxing authorities, reinsurers, agents, employees, suppliers, and legal counsel providing service prior to the Liquidation Order, etc.

#### NOTICE TO STAY/ABATEMENT OF LEGAL PROCEEDINGS

The Court order provides that all persons are restrained and enjoined from commencing or further prosecuting any action in law or equity or administrative proceedings where Southern Health is a party or is obligated to defend a party, except in this court; obtaining any preferences, judgment, attachment, or other liens against any of the property, personal or real, of Southern Health, commencing or continuing any action in the nature of an attachment, garnishment or execution against any of the property, personal or real, of Southern Health, making any levy, garnishment or execution against any of the property, personal or real, of Southern Health or its subsidiaries or their assets or any part thereof except in this Court.

  
Denise B. Azar  
Receiver, Southern Health Systems